Revised 10/04 - Please Read

Washington State Liquor Control Board Supplier and Distributor Price Posting System

Business Rules

Price Postings are required by RCW 66.28.180 and WAC's 314-20-100, 314-20-105, 314-24-190, and 314-24-200. Any filing not in compliance with these regulations may be rejected by the Board. No late filings will be accepted to correct items which were not filed in accordance with these guidelines.

Licensed Suppliers (Manufacturers, Authorized Representatives and Subjobbers)

Every brewery, winery, certificate of approval holder, beer/wine importer, and beer/wine distributor (suppliers) shall file with the Washington State Liquor Control Board (WSLCB) a copy of every written contract and memorandum of oral agreement such supplier may have with any beer or wine distributor. The contracts or memoranda shall contain a schedule of prices charged to distributors for all items and all terms of sale, including all regular and special discounts; all advertising, sales and trade allowances, and incentive programs; and all commissions, bonuses or gifts, and any and all other discounts or allowances.

Prices and allowances must be uniform to all distributors on a statewide basis less bona fide allowances for freight differentials.

Distributors

Every beer or wine distributor shall file with the Washington State Liquor Control Board (WSLCB) a price posting showing the distributor prices to retail licensees within the state, including deposits and allowances, if any, for returned empty containers.

Product prices and allowances shall be filed via the electronic price posting system. All other information shall be filed on licensee letterhead.

All pricing and allowances are filed per case. Case size is identified by the product code. Quantity discounts are prohibited.

Manufacturers and Licensed Authorized Representatives

Only product of your own production or brands you represent (licensed authorized representative) may be added or posted under the Manufacturer filing type. This may include product produced at several locations if licensed under the same ownership.

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The product may be added directly by entering the Product Code or by first selecting the manufacturer or authorized representative, product category, and brand. The list of manufacturers includes all licensed breweries, wineries and licensed authorized representatives. Licensees with multiple licensed locations will be indicated by the unique license number for each location. Choose the appropriate manufacturer/authorized representatives for the product you wish to add.

Subjobbers

May add and post U.S. products from any manufacturer that has appointed the subjobber and filed such appointment with the WSLCB. If properly licensed, subjobbers may also add and post foreign produced products.

Products may be added directly by entering the Product Code or by first selecting the supplier, product category, and brand. If selecting the supplier: For U.S. and Foreign products, choose the manufacturer or licensed authorized representative from which the product is purchased.

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Distributors

May add and post U.S. and foreign products from any supplier that has appointed the distributor and filed such appointment with the WSLCB. If properly licensed, distributors may also add and post foreign products purchased from a licensed source outside the state of Washington.

Products may be added by directly entering the Product Code or by first selecting the supplier, product category, and brand. If selecting the supplier: For U.S. products, choose the company from which the product is purchased; for foreign products, select the licensed supplier from which the product is purchased.

Allowances

In addition to the electronic price posting, details of all allowances as presented to Washington importers/distributors must be submitted to the Board. The normal filing deadlines also apply to allowances (see Filing Period). This information may be submitted on company letterhead.

Allowances are filed on a monthly basis and must be refiled for each month in effect.

Purchase Allowance

A per case allowance reimbursed or credited to Washington distributors by the supplier for each case of product purchased within a particular month.

Flat Depletion Allowance

A per case allowance reimbursed or credited to Washington distributors by the supplier for each case of product sold to retailers within a particular month.

Percentage Depletion Allowance

Same as the Flat Depletion Allowance, except the amount of the allowance is based on the amount the distributor decreases the selling price to retailers within a particular month. A percentage of this decrease is returned to the distributor up to the maximum allowance amount stated.

For example, a supplier may reimburse the distributor 50% of the distributors' price reduction to retailers, up to a maximum amount of \$1.00, for every case sold during the month. \$1.00 would be entered in the Maximum Allowance Amount column, 50 would be entered in the Percentage column.

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Close-out status is allowed only for the Distributor filing type. Click in the Close-out field to indicate product is in close-out status.

Note

Items on "Close-out" are exempt from the mark-up of at least 10% more than acquisition cost. Items must have been on the state market for at least 6 months to be eligible for close-out status. The distributor may not re-stock close-out items for a period of one year following the first effective date of the close-out price.

Filing Period

Manufacturers, Authorized Representatives and Subjobbers (suppliers)

Supplier filings must be submitted no later than the 25th of the month with revisions allowed up to and including the first of the month and will go into effect the first of the next month.

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Distributors

Distributor filings must be submitted no later than the 10th of the month and will go into effect the first day of the <u>next</u> month. Revisions submitted by the 15th of the month will also go into effect the first day of the <u>next</u> month.

Note

The filing period is the same for all prices, deposits, and allowances, as well as adding and deleting products and appointing an authorized representative or distributor.

Date Effective

The price posting system automatically assigns the effective date based on the filing deadlines stated above. The user is not required to identify the effective date of the posting.

Effective Period

The regular selling price stays in effect until a change is submitted and approved.

Post-off prices and all types of allowances are effective for one month only and must be refiled for each month in effect.

Multiple license locations 2000

Licensees with more than one licensed location must submit price postings for each location.

Additional FOB points

The FOB location is assumed to be the supplier's licensed location. If otherwise or additional FOB points also apply, submit this information to the WSLCB on company letterhead.

FOB/DEL

Designates posted prices as Free On Board (FOB, importer/distributor pays freight) or Delivered (DEL, freight cost is included in posted price).

Freight Cost

Distributors are required to post the per case freight cost of items purchased at an FOB price. This field must contain the per case freight cost to ship the product from the supplier to the distributor's warehouse. The posted amount may be the average freight cost to the best of distributor's knowledge.

Laid In Cost (cost + freight + taxes)

If you are the first Washington Distributor you must post your laid in cost for foreign products.

Post-Off Price

A temporary price reduction at which product will be invoiced for one month only, superseding the regular selling price.

Regular Selling Price

This is the regular/everyday/frontline price at which product will be invoiced. The regular selling price must always be indicated on the posting.

Note

For Manufacture, Distributors, and Authorized Representatives filing types only, regular and post-off prices must be at least ten percent more than acquisition/production cost. (For authorized reports and Distributors Manufacturers will post product costs)

Wine Excise Tax

Distributors are required to post the per case excise tax for wine and cider products only. This field must contain the per case WSLCB excise tax paid by the distributor.

Product Code

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Identifies the product you are posting. The product code is assigned by the WSLCB at time of label approval and identifies a specific product and package. Items may not be posted until the product code is assigned by the Board.

Taxes

Malt Beverages

Supplier posted prices for malt beverages must include the Washington State excise tax.

Wine Suppliers

Washington wineries, out-of-state wine certificate of approval holders, wine authorized representatives, and Washington wine importers that do not hold a wine distributor license shall not include the excise tax in the posted price.

Wine distributors filing prices to other wine distributors (subjobbing) must include the Washington State excise tax in the posted price.

Wine Distributors (and wineries that self-distribute)

For wine and cider products only, the posted price must include the per case WSLCB excise tax.

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